

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
233 North Michigan Ave., Suite 600  
Chicago, IL 60601



## Financial Management Group

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December 11, 2025

Seth J. Gold  
Medicaid Executive Director  
Louisiana Medicaid Program  
Louisiana Department of Health  
Bureau of Health Services  
Financing 628 North Fourth Street  
Post Office Box 91030  
Baton Rouge, Louisiana 70821-9030

RE: Official Request for Additional Information (RAI) State Plan Amendment (SPA) LA-25-0016

Dear Medicaid Executive Director Seth J. Gold:

The Centers for Medicare & Medicaid Services (CMS) has completed our initial review of the proposed amendment submitted under transmittal number (TN) 25-00016. This state plan amendment (SPA) has a proposed effective date of July 3, 2025. The purpose of the SPA is to amend provisions governing professional services reimbursement methodology in order to better align Medicaid rates to Medicare rates.

Section 1902(a) of the Social Security Act (the Act) requires that states have a state plan for medical assistance that meets certain federal requirements that set out a framework for the state program. Implementing regulations at 42 CFR 430.10 require that the state plan be a comprehensive written statement containing “all information necessary for CMS to determine whether the plan can be approved as a basis for Federal Financial Participation (FFP) in the state program”.

To be comprehensive, payment methodologies should be understandable, clear and unambiguous. In addition, because the plan is the basis for FFP, it is important that the plan language provide an auditable basis for determining whether payment is appropriate.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Act and the regulations at 42 CFR 447. Before we can continue processing this amendment, we need additional or clarifying information.

**Attachment 4.19-B Item 5, page 2a(1) and page 2a(2)**

During the informal review process, the state clarified that the payments are designated for specific providers. These include physicians, physician assistants, nurse practitioners, certified nurse midwives, licensed midwives, doula providers, psychologists, licensed professional clinical counselors, licensed clinical social workers, and marriage and family therapists.

According to the state effective for dates of service on or after July 3, 2025, the flat fee for reimbursement of maternity-related anesthesia services shall be 85 percent of the 2024 Louisiana Medicare Region 99 allowable for services rendered to Medicaid beneficiaries. If there is no equivalent Medicare fee, an alternate methodology may be used.

1. To ensure comprehensiveness, payment methodologies must be understandable, clear, and unambiguous. Additionally, since the plan serves as the basis for Federal Financial Participation (FFP), it is essential that the plan's language provides an auditable foundation for verifying the appropriateness of payments. Therefore, to fulfill the comprehensiveness requirements of section 430.10, further clarification is requested regarding the statement: "If there is no equivalent Medicare fee, an alternative methodology may be used." Please refer to Medicaid.gov for federal requirements regarding payment methodologies available to states.

CMS is requesting this additional/clarifying information under the provisions of section 1915(f) of the Act (added by PL 97-35). This has the effect of stopping the 90-day clock for CMS to take action on the material, which would have expired on December 21, 2025. A new 90-day clock will not begin until we receive your response to this request.

In accordance with our guidelines to all State Medicaid directors dated January 2, 2001, and subsequently reiterated in the August 16, 2018 Center for Medicaid and CHIP Services Informational Bulletin, if a response to a formal request for additional information from CMS is not received from the state within 90 days of issuance, CMS will initiate disapproval of the SPA action. In addition, because this amendment was submitted after January 2, 2001 and is effective after January 1, 2001, please be advised that we will defer federal financial participation (FFP) for state payments made in accordance with this amendment until it is approved. Upon approval, FFP will be available for the period beginning with the effective date of the SPA through the date of approval.

We ask that you respond to this RAI via the OneMAC portal at <http://onemac.cms.gov>, and email a copy of your response to Monica Neiman at [monica.neiman@cms.hhs.gov](mailto:monica.neiman@cms.hhs.gov)

Sincerely,

*Todd McMillion*

Todd McMillion

Director

Division of Reimbursement Review